



[4830-01-p]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 41

[TD 9698]

RIN 1545-BG63; RIN 1545-BK35

Highway Use Tax; Sold Vehicles and Electronic Filing; Taxable Period Beginning July 1, 2011

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations and removal of temporary regulations.

SUMMARY: This document contains final regulations that provide guidance on the mandatory electronic filing of Form 2290, "Heavy Highway Vehicle Use Tax Return," for 25 or more vehicles; credits or refunds for sold, destroyed, or stolen vehicles; and the tax liability and computation of tax on the use of certain second-hand vehicles. The regulations affect owners and operators of highway motor vehicles with a taxable gross weight of 55,000 pounds or more. These final regulations also remove the temporary regulations that provide guidance on the filing of Form 2290 and payment of the associated highway use tax for the taxable period beginning July 1, 2011.

DATES: Effective Date: These regulations are effective on **INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER**.

Applicability Date: For dates of applicability, see §§41.4481-1(e), 41.4481-2(c), 41.6001-2(e), 41.6011(a)-1(d), 41.6071(a)-1(d), and 41.6151(a)-1(b).

FOR FURTHER INFORMATION CONTACT: Natalie Payne, (202) 317-5262 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background and Explanation of Provisions

This document amends the Highway Use Tax Regulations (26 CFR Part 41) under sections 4481, 4483, 6001, 6071, and 6151 of the Internal Revenue Code (Code).

Section 4481(a) of the Code imposes an annual tax on the use of highway vehicles with a taxable gross weight of 55,000 pounds or more. Under paragraphs (c)(2) and (c)(4) of section 4482, the taxable period generally runs from July 1 through the following June 30.

Section 867 of the American Jobs Creation Act of 2004, Public Law 108-357 (118 Stat. 1418 (2004)), (1) added new section 4481(e), which requires electronic filing of a return reporting tax on the use of 25 or more highway motor vehicles, (2) modified section 4481(c)(2) to allow a proration of the tax for vehicles that are sold, and (3) repealed section 6156, eliminating the ability to pay the tax in installments.

On January 16, 2009, the IRS and the Treasury Department published a notice of proposed rulemaking (REG-116699-07, 74 FR 2910) (NPRM 1) in the **Federal Register**. The NPRM 1 provides proposed guidance on mandatory electronic filing of Form 2290, "Heavy Highway Vehicle Use Tax Return," for 25 or more vehicles. Specifically, NPRM 1 provides that submitting a Form 2290 on paper for 25 or more vehicles constitutes a failure to file for purposes of the penalty under section 6651. In addition, NPRM 1 provides that if a taxpayer is required to file Form 2290 electronically and fails to do so, the IRS will not return to the taxpayer a receipted Schedule 1 (Form 2290), which is necessary to register the vehicle with a State.

The NPRM 1 also revises existing regulations to administer the credits and refunds resulting from a statutory overpayment of tax upon the sale of a vehicle, and it clarifies that the triggering event for overpayments is the sale, destruction, or theft of a vehicle. In addition, NPRM 1 clarifies the tax liability and computation of tax upon the first taxable use of a second-hand vehicle for which there was a prior taxable use during the tax period.

The IRS and the Treasury Department received one written comment in response to NPRM 1. No public hearing was requested or held.

On July 20, 2011, the IRS and the Treasury Department published final and temporary regulations (TD 9537, 76 FR 43121) (the Temporary Regulations) in the **Federal Register**. The same day, the IRS and the Treasury Department published a notice of proposed rulemaking (REG-122813-11, 76 FR 43225) (NPRM 2) by cross-reference to the Temporary Regulations in the **Federal Register**. At the time the IRS and the Treasury Department published NPRM 2, the highway use tax was scheduled to expire at the close of September 30, 2011, which would have resulted in a short taxable period for the taxable period beginning on July 1, 2011 (the effective date of the tax has since been statutorily extended through September 30, 2017). The Temporary Regulations provide guidance on the filing of Form 2290 and the payment of the associated highway use tax for the taxable period beginning July 1, 2011. Specifically, the Temporary Regulations postponed the deadline by which a taxpayer must file a Form 2290 return for taxable uses during the taxable period beginning July 1, 2011, to November 30, 2011. Further, the Temporary Regulations discouraged the filing of a Form 2290, or submission of associated payment, before November 1, 2011, for taxable

uses during the taxable period beginning July 1, 2011. No comments were received in response to NPRM 2, and no public hearing was requested or held.

These final regulations adopt NPRM 1 with two substantive changes (described in the next paragraph). In addition, the IRS and the Treasury Department have made certain nonsubstantive changes to the regulatory text, including minor wording changes, to improve the clarity and readability of the final regulations.

To reduce the burden on small business, the final regulations remove the proposals in NPRM 1 related to the effect of a failure to file a Form 2290 electronically for 25 or more vehicles. Thus, under the final regulations, the filing of a Form 2290 on paper for 25 or more vehicles does not constitute a failure to file for purposes of the penalty under section 6651, and the IRS will not withhold from the taxpayer a receipted Schedule 1 (Form 2290). The IRS and the Treasury Department continue to consider ways to ensure compliance with the electronic filing requirement in section 4481(e). Accordingly, the IRS and the Treasury Department request comments on how to enforce the electronic filing requirement in a manner that does not unduly burden taxpayers. Comments on this issue should be submitted in writing and can be mailed to the Office of Associate Chief Counsel (Passthroughs and Special Industries), Re: REG-116699-07, CC:PSI:B7, Room 5314, 1111 Constitution Avenue NW., Washington, DC 20224. All comments received will be available for public inspection at <http://www.regulations.gov> (IRS REG-116699-07).

These final regulations do not adopt NPRM 2 because the period to which NPRM 2 applies has ended. In addition, these final regulations remove the Temporary Regulations.

Summary of Comment

The comment received in response to NPRM 1 suggested that the IRS modify its rule under §41.6001-2(b)(2)(ii) relating to the registration of highway motor vehicles. Under §41.6001-2(b)(2)(ii), a State that registers vehicles other than on the basis of gross weight must require proof of payment in order to register a highway motor vehicle, unless the State receives a written statement providing that during the taxable period that includes the date on which the State receives the application for registration, the vehicle had a taxable gross weight of less than 55,000 pounds. The commenter noted that many highway motor vehicles in the gross weight range of 8,000 to 54,999 pounds are used in the same manner each year and never reach a gross weight of 55,000 pounds. The commenter suggested that owners of vehicles in the 8,000 to 54,999 pound range be allowed to declare at the initial vehicle registration that the gross weight of the highway motor vehicle is not expected to ever reach 55,000 pounds, provided the owner also certifies that if the gross weight of the vehicle ever reaches a gross weight of 55,000 pounds or more the owner will make timely payments of any highway vehicle use tax due.

The final regulations do not adopt the change proposed by the commenter. The IRS and the Treasury Department have determined that the written statement required by §41.6001-2(b)(2)(ii) provides information that is essential to the effective and efficient administration of the tax under section 4481 without unduly burdening taxpayers.

Special Analyses

It has been determined that this Treasury decision is not a significant regulatory action as defined in Executive Order 12866, as supplemented by Executive Order

13563. Therefore, a regulatory assessment is not required. It has also been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations. Pursuant to the Regulatory Flexibility Act (5 U.S.C. chapter 6), it is hereby certified that this regulation will not have a significant economic impact on a substantial number of small entities. The regulations affect owners and operators of highway motor vehicles with a taxable gross weight of 55,000 pounds or more, some of which may be small entities. Although a substantial number of small entities may be subject to the requirements of this rule, any economic impact is minimal. The regulations provide guidance for claiming a refund or credit when a vehicle is sold during the tax year. Specifically, the regulations provide that the claim must be made on Form 2290 or Form 8849, "Claim for Refund of Excise Taxes." The information to complete these forms is readily available to the taxpayer and the forms take little time to complete. Without the claim information, the IRS could not determine taxpayer eligibility or determine the accuracy of the claim. Accordingly, these regulations do not impose a collection of information on small entities within the meaning of the Regulatory Flexibility Act and a regulatory flexibility analysis is not required.

Pursuant to section 7805(f) of the Code, NPRM 1 and NPRM 2 were submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on their impact on small entities. No comments were received.

Drafting Information

The principal author of these regulations is Natalie Payne, Office of the Associate Chief Counsel (Passthroughs and Special Industries). However, other personnel from the IRS and the Treasury Department participated in their development.

List of Subjects in 26 CFR Part 41

Excise taxes, Motor vehicles, Reporting and recordkeeping requirements.

Adoption of Amendments to the Regulations

Accordingly, 26 CFR part 41 is amended as follows:

PART 41--EXCISE TAX ON USE OF CERTAIN HIGHWAY MOTOR VEHICLES

Paragraph 1. The authority citation for part 41 is revised to read as follows:

Authority: 26 U.S.C. 7805.

Section 41.4482(b)-1 also issued under 26 U.S.C. 4482(b).
Section 41.4483-1 also issued under 26 U.S.C. 4483(a).
Section 41.4483-2 also issued under 26 U.S.C. 4483(c).
Section 41.4483-3 also issued under 26 U.S.C. 4483(d).
Section 41.6001-1 also issued under 26 U.S.C. 6001.
Section 41.6001-2 also issued under 26 U.S.C. 6001.
Section 41.6001-3 also issued under sec. 507, Public Law 100-17 (101 Stat. 260).
Section 41.6011(a)-1 also issued under 26 U.S.C. 6011(a).
Section 41.6060-1 also issued under 26 U.S.C. 6060(a).
Section 41.6071(a)-1 also issued under 26 U.S.C. 6071 (a).
Section 41.6091-1 also issued under 26 U.S.C. 6091(a).
Section 41.6101-1 also issued under 26 U.S.C. 6101.
Section 41.6109-1 also issued under 26 U.S.C. 6109(a).
Section 41.6109-2 also issued under 26 U.S.C. 6109(a).
Section 41.6151(a)-1 also issued under 26 U.S.C. 6151(a).
Section 41.6695-1 also issued under 26 U.S.C. 6695(b).

Par. 2. Section 41.4481-1 is amended by:

1. Revising the section heading.
2. Removing the third sentence from paragraph (b).

3. Adding headings to paragraphs (c)(1), (c)(2), and (c)(3).
4. In the introductory text of paragraph (c)(1), removing the language “Except as provided in paragraph (c)(2) of this section” and adding in its place “Except as otherwise provided in this paragraph (c)”.
5. Revising paragraphs (c)(4) and (c)(5).
6. Removing paragraphs (c)(6) and (d).
7. Redesignating paragraph (e) as paragraph (d) and revising the introductory text in newly-redesignated paragraph (d).
8. In newly-redesignated paragraph (d), revising Example (3) and adding Example (4).
9. Adding new paragraph (e).

The revisions and additions read as follows:

§41.4481-1 Imposition and computation of tax.

* * * * *

(c) * * *

(1) In general. * * *

* * * * *

(2) Certain prorated taxable periods. * * *

(3) Increase in taxable gross weight during the taxable period. * * *

(4) Prorated taxable period for sold, destroyed, or stolen vehicles--(i) In general.

The tax on a taxpayer’s use of a highway vehicle for a taxable period is determined under paragraph (c)(4)(ii) of this section if--

(A) The vehicle is destroyed or stolen before the first day of the last month in the taxable period and is not later used by the taxpayer during the period; or

(B) The taxpayer sells the vehicle before the first day of the last month in the taxable period and does not later use the vehicle during the period.

(ii) Computation of tax. If the tax on a taxpayer's use of a highway vehicle for a taxable period is determined under this paragraph (c)(4)(ii), the tax is computed by multiplying the amount of tax that would be due for a full taxable period, as computed under paragraph (c)(1) of this section, by a fraction. The fraction has as its numerator the number of months in the period from the first day of the month in the period in which the first taxable use of the highway motor vehicle occurs to and including the last day of the month in which the highway motor vehicle was sold, destroyed, or stolen, and as its denominator the number of months in the entire taxable period. (See paragraph (d) Example (3)(i) of this section.)

(iii) Overpayment. If a taxpayer's liability for the tax on the use of a highway vehicle for a taxable period is determined under paragraph (c)(4)(ii) of this section, any tax the taxpayer paid under section 4481(a) on the use of the vehicle for such period in excess of the tax calculated under paragraph (c)(4)(ii) of this section is an overpayment of tax.

(iv) Definition of destroyed vehicle. For purposes of this paragraph (c)(4), a highway motor vehicle is destroyed if the vehicle is damaged due to an accident or other casualty to such an extent that it is not economical to rebuild.

(v) Form and content of claim. A claim for refund of an overpayment described in paragraph (c)(4)(iii) of this section must be made on Form 8849, "Claim for Refund of

Excise Taxes” (or such other form as the Commissioner may designate) in accordance with the instructions for that form. A claim for a credit must be made on Form 2290, “Heavy Highway Vehicle Use Tax Return” (or such other form as the Commissioner may designate) in accordance with the instructions for that form. A claim for refund or credit for any vehicle must include--

- (A) The vehicle identification number and taxable gross weight of the vehicle;
- (B) The date of the sale, destruction, or theft of the vehicle; and
- (C) If the vehicle was sold, the name and address of the purchaser of the vehicle.

(vi) Tax on buyer's use of second-hand vehicles. If a vehicle is sold during the taxable period and a credit or refund of the tax imposed by section 4481 is allowable upon the sale under paragraph (c)(4)(iii) of this section, tax is imposed on the use of the vehicle after the sale and before the end of the taxable period. (See paragraph (c)(4)(vii) of this section for the rules regarding the computation of tax after the sale and before the end of the taxable period.)

(vii) Computation of tax on second-hand vehicles. The tax under paragraph (c)(4)(vi) of this section on the use of a vehicle after a sale upon which a credit or refund is allowable is computed by multiplying the amount of tax that would be due for a full taxable period as computed under paragraph (c)(1) of this section by a fraction. The fraction has as its numerator the number of months in the period from the first day of the month in which the first taxable use of the vehicle after the sale occurs (the first day of the month after such month if the first taxable use after the sale occurs in the month of the sale) through the end of the taxable period, and as its denominator the number of months in the entire taxable period. (See paragraph (d) Example (3)(ii) of this section.)

(5) Decrease in taxable gross weight, discontinued use, or converted use. The computation of the tax is not affected, and no right to a credit or refund of any tax paid under section 4481 arises, if in any taxable period--

- (i) The taxable gross weight of a highway motor vehicle is decreased;
- (ii) The use of a highway motor vehicle is discontinued (for reasons other than sale, destruction, or theft as described in paragraph (c)(4) of this section); or
- (iii) The highway motor vehicle is converted to a use that is exempt from the tax imposed by section 4481(a).

(d) Examples. The application of §§41.4481-1, 41.4481-2, and 41.4482(c)-1(c) may be illustrated by the following examples:

* * * * *

Example (3). (i) In July, X uses a vehicle that is registered in X's name and has a taxable gross weight of 70,000 pounds. The vehicle is not a logging vehicle. X pays the \$430 of tax imposed by section 4481 for the taxable period. On September 2 of the same calendar year, X sells the vehicle to Y. X's tax is calculated under paragraph (c)(4)(ii) by multiplying the amount of tax that would be due for a full taxable period by a fraction that has as its numerator the number of months in the period from the first day of the month in which X's first taxable use of the highway motor vehicle occurs to and including the last day of the month in which the vehicle was sold, and as its denominator the number of months in the entire taxable period. Thus, X's tax for the period is \$107.50 (3/12 of \$430), and X may claim a credit or refund of \$322.50 (\$430.00 - \$107.50) in accordance with §41.4481-1(c)(4)(v) after X sells the vehicle.

(ii) On September 23, Y uses the vehicle. Y is liable for tax on the use of the vehicle during the taxable period ending June 30 of the following calendar year. Y's tax is calculated under paragraph (c)(4)(vii) by multiplying the amount of tax that would be due for a full taxable period by a fraction that has as its numerator the number of months in the period from the first day of the month in which Y's first taxable use of the vehicle after the sale occurs (the first day of the month after such month if the first taxable use after the sale occurs in the month of the sale) through the end of the taxable period, and as its denominator the number of months in the entire taxable period. Y's first use of the vehicle occurs in the month of the sale. Accordingly, Y's tax is based on the number of months in the period from the first day of October (the month following the month of the first taxable use) through the end of June, and Y owes a section 4481 tax of \$322.50 (9/12 of \$430) for the taxable period.

Example (4). Assume the same facts as in Example (3)(i), except that on September 2, X sells the vehicle to Dealer, a dealer in highway motor vehicles. X may claim a credit or refund of \$322.50. Dealer operates the vehicle exclusively for the purpose of demonstration, which is not a “use” of the vehicle under §41.4482(c)-1(c). On May 2 of the following calendar year, Dealer sells the vehicle to Y. Dealer does not owe a section 4481 tax and may not claim a refund. Y’s first taxable use of the vehicle occurs on May 3. Y’s first taxable use of the vehicle does not occur in the month of a sale upon which a credit or refund is allowable. Accordingly, Y’s tax is calculated under paragraph (c)(2) by multiplying the amount of tax that would be due for a full taxable period by a fraction which has as its numerator the number of months in the taxable period beginning with the month of first taxable use and as its denominator the number of months in the entire taxable period. The numerator is the number of months in the period from the first day of May (the month of Y’s first taxable use after the sale) through the end of June, and Y owes a section 4481 tax of \$71.67 (2/12 of \$430) for the taxable period.

(e) Effective/applicability date. This section applies on and after July 1, 2015.

For rules applicable before that date, see 26 CFR 41.4481-1 (revised as of April 1, 2014).

Par. 3. Section 41.4481-2 is amended by:

1. Removing the language “or any installment payment of the tax” in paragraph (a)(1)(i)(D).
2. Revising paragraph (a)(2) and adding paragraph (a)(3).
3. Adding a sentence at the end of paragraph (b).
4. Revising paragraph (c).

The revisions and additions read as follows:

§41.4481-2 Persons liable for tax.

(a) * * *

(2) If a vehicle is sold during the taxable period and a credit or refund is allowable upon the sale under §41.4481-1(c)(4)(iii), paragraph (a)(1) of this section is applied with the following modifications:

(i) For purposes of determining the person liable for the tax determined under §41.4481-1(c)(4)(ii), each reference to a taxable period in paragraph (a)(1) of this section is treated as a reference to the period that begins on the first day of the taxable period in which the vehicle is sold and ends on the date of sale.

(ii) For purposes of determining the person liable for the tax determined under §41.4481-1(c)(4)(vi), each reference to a taxable period in paragraph (a)(1) of this section is treated as a reference to the period that begins on the date of the sale and ends on the last day of the taxable period in which the vehicle is sold.

(3) The application of paragraph (a) of this section may be illustrated by Examples (3) and (4) in §41.4481-1(d).

(b) * * * For provisions relating to penalties for aiding and abetting an understatement of tax liability, see section 6701 of the Internal Revenue Code.

(c) Effective/applicability date. This section applies on and after July 1, 2015. For rules applicable before that date, see 26 CFR 41.4481-2 (revised as of April 1, 2014).

Par. 4. Section 41.4483-3 is amended as follows:

1. In the fourth sentence of paragraph (f), removing the language “to the extent

that the tax or an installment payment of the tax has” and adding “(determined in the case of a transfer described in §41.4481-1(c)(4)(i) under §41.4481-1(c)(4)(ii)) to the extent that the tax has” in its place.

2. Adding paragraph (i).

The addition reads as follows:

§41.4483-3 Exemption for trucks used for 5,000 or fewer miles and agricultural vehicles used for 7,500 or fewer miles on public highways.

* * * * *

(i) Effective/applicability date. This section applies on and after July 1, 2015. For rules applicable before that date, see 26 CFR 41.4483-3 (revised as of April 1, 2014).

§41.4483-7 [Removed]

Par. 5. Section 41.4483-7 is removed.

§41.6001-1 [Amended]

Par. 6. Section 41.6001-1 is amended as follows:

1. In the first sentence of paragraph (a), the language "district director" is removed and "Commissioner" is added in its place.

2. In paragraph (a)(3), the language "In the case of any such vehicle acquired after June 30, 1956, the date" is removed and "The date" is added in its place.

Par. 7. Section 41.6001-2 is amended by:

1. Removing the third sentence of paragraph (a).

2. In the last sentence of paragraph (a), removing the language "an application for registration which is mailed will be considered to be received by a State on the date on which it was postmarked" and adding in its place "the rules of section 7502 and

§301.7502-1 of this chapter (relating to timely mailing treated as timely filing) determine when an application for registration is considered to be received by a State”.

3. Redesignating paragraph (b)(1)(i) as paragraph (b)(1) and revising newly-redesignated paragraph (b)(1) heading.

4. Removing and reserving paragraph (b)(1)(ii).

5. Redesignating paragraph (b)(4)(i) as paragraph (b)(4) and revising newly-redesignated paragraph (b)(4) heading.

6. Removing and reserving paragraph (b)(4)(ii).

7. Revising paragraph (c).

8. Adding paragraph (e).

The revisions and addition read as follows:

§41.6001-2 Proof of payment for State registration purposes.

* * * * *

(b) Proof of payment required--(1) In general. * * *

* * * * *

(4) Registration during certain months * * *

* * * * *

(c) Proof of payment--(1) In general. The proof of payment required in paragraph (b) of this section consists of a receipted Schedule 1 (Form 2290 “Heavy Highway Vehicle Use Tax Return”) that is returned by the Internal Revenue Service, by mail or electronically, to a taxpayer that files a return of tax under section 4481(a), meets the requirements of §41.6011(a)-1, and pays the amount of tax due with such return. A photocopy of such receipted Schedule 1 also serves as proof of payment. Such

Schedule 1 serves as proof of suspension of such tax under §41.4483-3 for the number of vehicles entered in that part of the Schedule 1 designated for vehicles for which tax has been suspended. The vehicle identification number of the vehicle being registered must appear on the Schedule 1 (or an attached page) in order for the Schedule 1 to be a valid proof of payment for such vehicle.

(2) Acceptable substitute for receipted Schedule 1. For purposes of this section, a State must accept as proof of payment a photocopy of the Form 2290 (with the Schedule 1 attached) that was filed with the Internal Revenue Service for the vehicle being registered with sufficient documentation of payment of tax due at the time the Form 2290 was filed (such as a photocopy of both sides of a cancelled check). This substitute proof of payment may be used to register a vehicle when, for example, the receipted Schedule 1 has been lost, or when at the time required for registration of a vehicle, a receipted Schedule 1 has not been received by a taxpayer who has filed a Form 2290 with respect to such vehicle.

* * * * *

(e) Effective/applicability date. Paragraph (c) of this section applies to registrations of highway motor vehicles pursuant to applications that are received by a State on or after July 1, 2015. The rules of section 7502 and §301.7502-1 of this chapter (relating to timely mailing treated as timely filing) determine when an application for registration is considered to be received by a State. For rules applicable to applications before that date, see 26 CFR 41.6001-2 (revised as of April 1, 2014).

§41.6001-2T [Removed]

Par. 8. Section 41.6001-2T is removed.

Par. 9. Section 41.6011(a)-1 is amended by adding paragraphs (a)(4), (c) and (d) to read as follows:

§41.6011(a)-1 Returns.

(a) * * *

(4) A person that is liable for tax under §41.4481-2(a)(1)(i)(A), (B), (C), or (D), after taking into account the modification required under §41.4481-2(a)(2), is treated as liable for tax by the same provision of §41.4481-2(a)(1)(i) for purposes of this section and must file a return.

* * * * *

(c) Required use of electronic filing--(1) In general. A person that files any return reporting 25 or more vehicles must file the return electronically, as prescribed by the Commissioner. For this purpose, the number of vehicles reported on a return is the total number of vehicles for which tax is reported and does not include vehicles for which a suspension of tax is claimed.

(2) Examples. The application of this paragraph (c) may be illustrated by the following examples:

Example 1. A has 100 vehicles registered in its name, all of which have a taxable gross weight in excess of 55,000 pounds. Seventy-five of the vehicles are in use on July 1. Twenty-five are in dead storage as described in §41.4482(c)-1(c). The vehicles in dead storage are not in use and they are not listed on the Schedule 1. A files Form 2290 electronically for the 75 vehicles in use on July 1 and receives a receipted Schedule 1. On August 23 of the same calendar year, A uses the remaining 25 vehicles. A does not file Form 2290 electronically but uses a paper Form 2290. A has failed to meet the requirements of section 4481(e) for the remaining 25 vehicles.

Example 2. Assume the same facts as in Example 1 except that on August 23, A uses 15 of the vehicles that were not used in July. The remaining 10 vehicles are not

used in August. A does not file Form 2290 electronically but uses a paper Form 2290. A has correctly filed a return as required by section 4481(e).

(d) Effective/applicability date. Paragraphs (a)(4) and (c) of this section apply to returns filed on and after July 1, 2015. For rules applicable before that date, see 26 CFR 41.6011(a)-1 (revised as of April 1, 2014).

Par. 10. Section 41.6071(a)-1 is amended as follows:

1. In paragraph (a) introductory text, the language “paragraph (b) or paragraph (c)” is removed and “paragraph (b)” is added in its place.
2. Revising paragraph (c).
3. Adding paragraph (d).

The additions and revision read as follows:

§41.6071(a)-1 Time for filing returns.

* * * * *

(c) Effect of sale during taxable period. A person that is liable for tax under §41.4481-2(a)(1)(i)(A), (B), (C), or (D) after taking into account the modification required under §41.4481-2(a)(2) is treated as liable for tax under the same provision of §41.4481-2(a)(1)(i) for purposes of this section.

(d) Effective/applicability date. Paragraph (c) of this section applies on and after July 1, 2015. For rules applicable before that date, see 26 CFR 41.6071(a)-1 (revised as of April 1, 2014).

§41.6071(a)-1T [Removed]

Par. 11. Section 41.6071(a)-1T is removed.

§41.6151(a)-1 [Revised]

Par. 12. Section 41.6151(a)-1 is revised to read as follows:

§41.6151(a)-1 Time and place for paying tax.

(a) In general. The tax must be paid at the time prescribed in §41.6071(a)-1 for filing the return and at the place prescribed in §41.6091-1 for filing the return.

(b) Effective/applicability date. This section applies on and after July 1, 2015. For rules applicable before that date, see 26 CFR 41.6151(a)-1 and 41.6151(a)-1T (revised as of April 1, 2014).

§41.6151(a)-1T [Removed]

Par. 13. Section 41.6151(a)-1T is removed.

§41.6156-1 [Removed]

Par. 14. Section 41.6156-1 is removed.

John Dalrymple
Deputy Commissioner for Services and Enforcement.

Approved: September 9, 2014

Mark J. Mazur
Assistant Secretary of the Treasury (Tax Policy).

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